

WADDINGHAM & ASSOCIATES

A PROFESSIONAL CORPORATION

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(1923-2006)

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RICHARD WADDINGHAM
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November 12, 2014

Kent Jones, State Engineer
Boyd Clayton
Jared Manning
Sue Odekirk
Utah State Engineer's Office
1594 W. North Temple, Suite 220
P.O. Box 146300
Salt Lake City, UT 84114-6300

Kirk Forbush, Regional Engineer
Terry Monroe
Utah Division of Water Rights
130 North Main
P. O. Box 664
Richfield, UT 84701-0563

RE: Piute Reservoir and Irrigation Company
Water Credits

Dear Kent, Boyd, Jared, Sue, Kirk and Terry:

Thank you for meeting with Jim, Blaine and me last Friday to discuss our concerns with various issues surrounding Piute Reservoir. We appreciate you staying on top of this matter and look forward to having a model in place to help alleviate the ongoing problems.

As a follow-up, DMADC Companies are concerned that the real-time level gauges on Piute and Otter Creek Reservoirs were inoperable for some of the irrigation season. As a result, accurate readings were not available during those times on the website. For example, the website indicated that on October 1 there was 123 acre feet in Piute Reservoir. However, on that same date, the River Commissioners physically measured the amount of water in Piute Reservoir to be 6,365 acre feet. The Otter Creek Reservoir's real-time level gauge did not show the amount of water stored in this reservoir for approximately 130 days of the irrigation season at various times between June 6, 2014 and October 31, 2014.

We respectfully request that State Engineer's Office order Piute and Otter Creek to fix their real-time level gauges so that they are reading correctly and that the information from those

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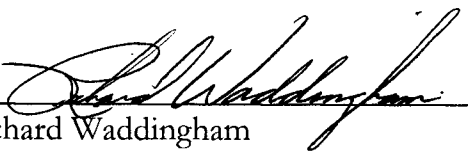
sources remain online.

We also request that the upper river commissioner render an accounting and provide records on the amount of storage water Piute had left in its reservoir on October 1, 2014.

Again, we express our appreciation to you for taking the time to listen to our concerns.

Sincerely Yours,

WADDINGHAM & ASSOCIATES P.C.


Richard Waddingham

RW

cc DMADC Presidents